



Request for City Council Committee Action From the Department of Public Works

Date: January 29, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Organized Solid Waste Collection Process**

Recommendation:

Receive and file an update on the organized solid waste collection process.

Previous Directives:

- October 25, 2012, publication of City Council action officially beginning the 180-day organized collection process
- October 19, 2012, City Council adopted Resolution of Intent to organize collection
- October 9, 2012, public hearing to consider adopting the Resolution of Intent to organize collection
- September 21, 2012, City Council set public hearing to consider adopting a Resolution of Intent to organize collection pursuant to Minnesota Statutes, section 115A.94, Subd. 4
- December 1, 2008, entered into a 5 year collection contract with Minneapolis Refuse Inc. (MRI) for the period of February 1, 2009 through January 31, 2014

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Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Heidi Hamilton, Deputy Director, Public Works

Permanent Review Committee (PRC)	Approval _____	Not applicable	<u> X </u>
Policy review Group (PRG)	Approval _____	Not applicable	<u> X </u>

Financial Impact (Check those that apply)

- X No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- _____ Action requires an appropriation increase to the Capital Budget
- _____ Action requires an appropriation increase to the Operating Budget
- _____ Action provides increased revenue for appropriation increase

___ Action requires use of contingency or reserves
___ Business Plan: X Action is within the plan. ___ Action requires change to plan
___ Other financial impact (Explain):
___ Request provided to department's Finance Dept. contact when provided to the
Committee Coordinator

Community Impact

Neighborhood Notification: Letters were mailed to all neighborhoods served by contracted solid waste collection services notifying them of the 3 meetings conducted during the 90-day planning period.

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city.

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information:

Competitive Process for Organized Collection Services

It is the intent of the Public Works Department to maintain a competitive Request for Proposals (RFP) process for solid waste collection services on a 5-year cycle. This strategy conforms to the City's charter mandate of maximum 5-year contract lengths and provides the opportunity for the city to obtain competitive market pricing. The current collection contract with MRI expires on January 31st, 2014.

In 2006, the Hennepin County District Court directed Minneapolis to follow the 180-day procedure provided by Minnesota Statutes, Section 115A.94, Sub. 4, in order to consider changing solid waste hauling contractors. The City commenced the 180-day statutory procedure in October of 2012 in order to have a new contract in place upon the expiration of the current contract. The Section 115A procedure comprises one 90 day planning period and one 90 day discussion period.

Planning Period

The planning period began on October 25, 2012, with the City Council adoption of a Resolution of Intent to organize collection and invite the participation of interested parties licensed to operate solid waste collection services in planning and establishing the organized collection system for one half of the City's residential dwelling units.

Three planning meetings were conducted and comments solicited by the City regarding possible contracting methods for organized solid waste collection in the contracted half of the city. The attached document summarizes the planning period and the comments that were received. All parties on our mailing list (which includes all licensed haulers in Minneapolis, labor union representatives, neighborhood associations, and other haulers in the metro area) were sent a copy of the planning process summary.

Discussion Period

The next step in the Section 115A process requires the city to conduct a 90-day discussion period regarding possible solid waste organized collection arrangements with licensed haulers

and other interested parties who expressed interest in participating with the city in this process during the initial planning and comment period.

The objective of the discussion will be agreement on an organized collection arrangement with the majority of licensed collectors who have expressed interest in the process. If this is not achieved within the 90-day period, the city may propose to implement an alternate method of collection as provided in statute.

Further Action

At the end of the Section 115A process, staff will bring to Council recommendations arising from the 180-day collection service evaluation and discussion process. This will provide adequate time to issue an RFP for a new contract should that be the conclusion of the 180-day process.

Attachment - Summary Report of Planning Process